

## **DETERMINANTS OF MICRO AND SMALL SCALE BUSINESS GROWTH IN ETHIOPIA: EVIDENCE FROM HAWASSA CITY OF SIDAMA REGIONAL STATE**

***Kanbiro Orkaido, Addisu Abebe, Barassa Balguda & Mathewos Yure***

*Lecturer, Department of Accounting and Finance, Furra College Hawassa Campus, Furra Institute of Development Studies and Education, Hawassa, Ethiopia, East Africa*

*Managing Director, Furra Institute of Development Studies and Education, Furra College, Yirgalem, Ethiopia, East Africa*

*Academic Dean, Furra College Hawassa Campus, Furra Institute of Development Studies and Education, Hawassa, Ethiopia, East Africa*

*Academic Vice Dean, Furra College Hawassa Campus, Furra Institute of Development Studies and Education, Hawassa, Ethiopia, East Africa*

**Received: 12 Feb 2021**

**Accepted: 17 Feb 2021**

**Published: 28 Feb 2021**

### ***ABSTRACT***

*The purpose of this study was to identify factors affecting micro and small scale business growth in Hawassa city. In order to achieve this objective, the researcher has used explanatory type research design and quantitative research approach in which six hypotheses have been tested based on primary data sources collected using structured questionnaires. Based on the regressions result, this study revealed that access to finance, access to land, access to technology, communication skill, training and increase in tax amount has statistically significant effect on growth of MSEs in the city. Based on the finding of the study, the researchers concluded the growth of micro and small scale enterprises was significantly influenced individual, organizational and environmental factors incorporated in the model. Hence, this study forwarded possible suggestions for the policy makers and government agencies in the city to work on determinants of micro and small scale business growth.*

***KEYWORDS:*** *Micro and Small Scale Enterprise, Business Growth, Determinants*